

**ADMINISTRATIVE RULES
FISCAL ESTIMATE
AND ECONOMIC IMPACT ANALYSIS**

Type of Estimate and Analysis		
<input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected		
Administrative Rule Chapter, Title and Number		
Chapters Tax 6, 13, and 15 – Public utility taxation; investment and local impact fund; and real estate transfer fee		
Subject		
Public utility taxation, investment and local impact fund, and real estate transfer fee		
Fund Sources Affected		Chapter 20 , Stats. Appropriations Affected
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S		
Fiscal Effect of Implementing the Rule		
<input checked="" type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Indeterminate	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs <input type="checkbox"/> Could Absorb Within Agency’s Budget <input type="checkbox"/> Decrease Costs
The Rule Will Impact the Following (Check All That Apply)		
<input type="checkbox"/> State’s Economy <input type="checkbox"/> Local Government Units	<input type="checkbox"/> Specific Businesses/Sectors <input type="checkbox"/> Public Utility Rate Payers	
Would Implementation and Compliance Costs Be Greater Than \$20 million? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Policy Problem Addressed by the Rule		
The rule does not create or revise policy, other than to reflect current law and department policy.		
Summary of Rule’s Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State’s Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)		
As indicated in the attached fiscal estimate, the proposed rule has no fiscal effect on municipalities, counties, or the Department of Revenue. No comments concerning the economic effect of the rule were submitted in response to the department's solicitation.		
Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule		
Clarifications and guidance provided by administrative rules may lower the compliance costs for municipalities and counties. If the rule is not implemented, Chapters Tax 6, 13, and 15 will be incomplete in that they will not reflect current law or department policy.		
Long Range Implications of Implementing the Rule		
No long-range implications are anticipated.		
Compare With Approaches Being Used by Federal Government		
N/A		
Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)		
N/A		

FISCAL ESTIMATE FORM**2013 Session**

☒ ORIGINAL ☐ UPDATED
☐ CORRECTED ☐ SUPPLEMENTAL

LRB #**INTRODUCTION #**

Admin rule # Tax 6: Public Utility Taxation
 Tax 13: Investment & Local Impact Fund
 Tax 15: Real Estate Transfer Fee

Subject

Proposed order of the Department of Revenue relating to public utility taxation, investment and local impact fund, and real estate transfer fee

Fiscal Effect

State: ☒ No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- ☐ Increase Existing Appropriation ☐ Increase Existing Revenues
☐ Decrease Existing Appropriation ☐ Decrease Existing Revenues
☐ Create New Appropriation

Increase Costs - May be Possible to Absorb
 Within Agency's Budget ☐ Yes ☐ No

☐ Decrease Costs

Local: ☒ No Local Government Costs

1. ☐ Increase Costs
 ☐ Permissive ☐ Mandatory
 2. ☐ Decrease Costs
 ☐ Permissive ☐ Mandatory

3. ☐ Increase Revenues
 ☐ Permissive ☐ Mandatory
 4. ☐ Decrease Revenues
 ☐ Permissive ☐ Mandatory

5. Types of Local Governmental Units Affected:

- ☐ Towns ☐ Villages ☐ Cities
☐ Counties ☐ Others _____
☐ School Districts ☐ WTCS Districts

Fund Sources Affected

☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEG-S

Affected Ch. 20 Appropriations**Assumptions Used in Arriving at Fiscal Estimate:**Summary:

The proposal makes a number of updates and technical corrections to certain DOR administrative rules. These changes have no fiscal effect on municipalities, counties, or the DOR.

Detail of Provisions:

Section 1 of the proposal updates the address from which utilities can obtain the forms they are required to use in their annual filings with the Department of Revenue (DOR).

Section 2 of the proposal changes the name of a report form to the current name and updates the DOR address from which the required form can be obtained.

Section 3 of the proposal is not consistent with current practices under which certain utilities are valued on a unit basis. The proposal would make the rule consistent with current DOR practices.

Sections 4 and 5 of the proposal update the rules to reflect the repeal (in 1997 Wisconsin Act 27) of the Badger Fund. The Badger Fund was a segregated fund into which 40% of the collections from the mining net proceeds tax (after certain allocations) were deposited.

Sections 6 to 8 of the proposal update the real estate transfer fee rules to reflect how sheriff's sales are handled under current law. Under current law, a conveyance by or in lieu of foreclosure to a person holding a mortgage or to a seller under a land contract is specifically exempt from the transfer fee. However, a conveyance by or in lieu of foreclosure to someone with no prior interest in the mortgage or deed is not exempt.

FISCAL ESTIMATE WORKSHEET

☒ ORIGINAL ☐ UPDATED
☐ CORRECTED ☐ SUPPLEMENTAL

Detailed Estimate of Annual Fiscal Effect

2013 Session**LRB #****INTRODUCTION #**

Admin. Rule: Tax 6:
Public Utility
Taxation; Tax 13:
Investment & Local
Impact Fund; Tax 15:
Real Estate Transfer
Fee

Subject

Proposed order of the Department of Revenue relating to public utility taxation, investment and local impact fund, and real estate transfer fee

I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**II. Annualized Costs:****Annualized Fiscal impact on State funds from:****A. State Costs by Category****Increased Costs****Decreased Costs**

State Operations - Salaries and Fringe

\$

\$ -

(FTE Position Changes)

()

-

State Operations-Other Costs

Local Assistance

-

Aids to Individuals or Organizations

-

TOTAL State Costs by Category

\$

\$

B. State Costs by Source of Funds**Increased Costs****Decreased Costs**

GPR

\$

\$

FED

-

PRO/PRS

-

SEG/SEG-S

\$

-

III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)**Increased Rev.****Decreased Rev.**

GPR Taxes

\$

\$ -

GPR Earned

-

FED

-

PRO/PRS

-

SEG/SEG-S

-

TOTAL State Revenues

\$

\$ -

NET ANNUALIZED FISCAL IMPACT**STATE****LOCAL**

NET CHANGE IN COSTS

\$ 0

\$ 0

NET CHANGE IN REVENUES

\$ 0

\$ 0

Agency/Prepared by
Wisconsin Department of Revenue
Daniel Huegel
608 266-5705

Authorized Signature/Telephone No.
Wisconsin Department of Revenue
Paul Ziegler
608 266-5773

Date

03/12/2013